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TAGS: PREL LE SY IR PINR PTER EAID FR SUBJECT: (C) HARIRI ADVISOR ON RISING IRANIAN INFLUENCE IN LEBANON AND SA'AD HARIRI'S TRAVELS, RELATIONS WITH SINIORA

REF: A. STATE 93004

1B. PARIS 1428

¶C. PARIS 327

Classified By: Political Minister-Counselor Josiah Rosenblatt, reasons 1.4 (b) and (d).

11. (C) Summary: During a June 13 discussion, longtime Hariri family advisor Basile Yared put a positive spin on the recent Brammertz report, which he viewed as compounding pressure on Syria. Yared viewed the SARG as seeking to destabilize the GoL, via arms and money transfers to Palestinian militias in Lebanon and efforts to boost pro-Syrian Lebanese politicians. At the same time, Yared described Iran as having displaced Syria as the dominant power in Lebanon, and cited increased Iranian payoffs to Hizballah and other pro-Syrian proxies. Yared viewed SARG fealty to the Iranian regime as having cost Bashar al-Asad the support of Saudi King Abdallah, and concluded that the long-term survival of the Syrian regime remained doubtful. Yared stressed the urgent need for the GoL to deliver on economic reforms, and advocated a gradual, "five year plan" approach. He downplayed reported tensions between Sa'ad Hariri and PM Siniora, and affirmed that their cooperation remained essential for the GoL to prevail. Yared commended Sa'ad Hariri's recent travel to Germany and Moscow as enhancing his international stature, and said a follow-up visit to China was likely. Yared conceded that Hariri's frequent departures from Lebanon were necessitated by the high threat he faced there; at the same time, he described Hariri's security posture as more professional and vigilant than that of his late father. In closing, Yared appealed for increased U.S. support and described the U.S. as Lebanon's most important long-term partner, concluding that French high-level attention to Lebanon would recede with President Chirac's expected departure from office in summer 2007. End summary.

SARG PRIVATELY VEXED BY BRAMMERTZ REPORT

 $\underline{\mathbb{1}}2$. (C) Pol M/C and poloff met June 13 with Basile Yared, a prominent lawyer and longtime Paris-based advisor to the Hariri family reputed to also advise the French Presidency on Lebanon (see refs b-c for background), to discuss Syria/Lebanon-related developments. In a wide-ranging discussion, Yared put a positive spin on the recent Brammertz report, especially the possible linkages between the 14 other bombings and assassination attempts and the Hariri assassination, and the elimination of the Addas track -- all of which, in Yared's view, would focus the investigation more clearly in the direction of Damascus. Yared commended Brammertz' handling of Syria in the report; by reporting "satisfactory" cooperation, Brammertz had defused potential Syrian attempts to discredit him or UNIIIC. Yared concluded that the SARG, despite outward calm, was very worried about the progress of the UNIIIC investigation. Since Syria could

not attack Brammertz' credibility directly, it would seek to destabilize the Lebanese government using its usual proxies, including sending arms and money to the Palestinian camps and reviving old cronies, like Suleiman Franjieh and former PM Mikati.

INCREASED IRANIAN MONEY, INFLUENCE IN LEBANON

¶3. (C) Yared asserted that Iran was increasing payoffs to pro-Syrian proxies in Lebanon, namely Hizballah, which he speculated received about 10-15 million USD from Tehran per month. (He conceded that some Lebanese estimated that Hizballah received as much as 50 million USD monthly from Iran, but he dismissed this figure as too high.) Yared described Iran as now much more influential with Hizballah than Syria, which he dismissed as a mere Iranian surrogate. He assessed that Iran was seeking to increase its influence to use the "Lebanon card" in wake of pressure over the Iran's nuclear program. At same time, he concluded that Iran would not seek to destabilize Lebanon as long as the negotiating track with P5 plus 1 remained a possibility, and for now wanted to avoid confrontation between Lebanon's Shi'a and Sunni communities.

AND A MORE ISOLATED, BUT STILL DANGEROUS SYRIA

14. (C) Yared assessed that the Iran-Syrian axis had helped sour Saudi King Abdallah's attitude towards the Asad regime, and increased Syria's isolation in the Arab world. In Yared's view, the Saudis had launched their Syria-Lebanon initiative earlier this year because they saw no alternative to the Asad regime in Syria and were afraid of change. Now that Asad had allied himself with Saudi Arabia's Iranian

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enemies, King Abdallah saw Bashar in a much more negative light and would not seek to protect him. Yared concluded that Syria was more isolated than ever internationally, and that the regime had "no long-term future." Nevertheless, the SARG had not given up its "hegemonic" designs on Lebanon or lost its capacity to make trouble there.

URGENT NEED FOR GOL TO DELIVER REFORMS, HARIRI-SINIORA UNITY

- 15. (C) With both Iran and Syria seeking to destabilize Lebanon, President Lahoud likely to stay put through the end of his term, and the UNIIIC investigation not likely to bear fruit for many months, Yared conceded that the GOL was in a very difficult position. He remained determined, though, that the GOL could find a way out by focusing on delivering economic reforms and tangible, positive quality-of-life improvement to the Lebanese people. Yared noted a new initiative that Sa'ad Hariri was exploring with PM Siniora and others to formulate a progressive reform package for the next five years which could win the support of all government factions. In Yared's view, the GOL should implement the plan by first creating the legal frameworks necessary for changes, such as privatization of Middle East Airlines or long-overdue reform of the power sector. Such moves, he hoped, could win the continued confidence and money of Lebanese diaspora, attract increased foreign investment, and inspire confidence in the international donor community.
- 16. (C) Yared agreed wholeheartedly that the success of any GOL reform programs would be contingent upon close cooperation between Sa'ad Hariri and PM Siniora. Yared described rumored friction between the two as overblown; he affirmed that both understood that they had to work together, and though tensions came up from time to time, they were not serious; Yared said Siniora understood that he had to work with Sa'ad and Sa'ad understood that Siniora would stay put for some time. Yared, who is rumored to detest Siniora, did not say anything negative about the Lebanese PM; at the same

time he reserved praise for Sa'ad, whom he described as the undisputed leader among Lebanese Sunnis and a moderate, unifying force for the country. (Comment: As septel reports, we heard a much more negative assessment of relations between Hariri and Siniora and prospects for GOL reforms in a follow-up discussion with Chirac's Middle East advisor. End comment.)

SA'AD HARIRI'S RECENT TRAVEL, SECURITY SITUATION

- 17. (C) Yared viewed Sa'ad's recent travel to Germany and Moscow as a success, largely in increasing Sa'ad's international credibility. He conceded that Sa'ad had to leave Lebanon regularly due to the overwhelming security threat he faced there, and that Sa'ad was seeking to put the time abroad to good use by enhancing his international profile. Yared viewed the Russian trip as particularly important, since Moscow had underdeveloped ties with Lebanon and, in the past, had spoken to Lebanon via Damascus. In Yared's view, Sa'ad was able to present himself to the Russians as a credible leader, and advanced bilateral dossiers such as visas and economic cooperation. The fact that Sa'ad was received by Putin "infuriated" the Syrians. Sa'ad planned a follow-up trip to China soon, and would be meeting with French senators in Paris the week of June 19. Yared said Sa'ad had sought a meeting at the Vatican, but was told that Pope Benedict XVI receives heads of state only.
- ¶8. (C) Yared conceded that he remained very worried about Sa'ad's security in Lebanon; at same time, he assessed Sa'ad's security as much more professional than that of his father, who had thought mistakenly that he would not be targeted and was much less cautious than Sa'ad in his movements. Yared said Sa'ad's security package had been constructed in response to what happened to his father; at the same time, Yared concluded that no protection was invincible, as the massive car bomb which killed Rafik Hariri would have destroyed any convoy.

U.S. MORE IMPORTANT TO LEBANON'S FUTURE THAN FRANCE?

19. (C) Throughout the discussion, Yared stressed that the U.S. would be Lebanon's most important future partner, and expressed the hope that U.S. security, judicial and economic cooperation would continue to expand. Asked about France, Yared agreed that France had important historical and cultural links with Lebanon. He stressed, nevertheless, that it would take "only" a modest U.S. investment for Lebanon to achieve full sovereignty and achieve its democratic aspirations, which could serve as a model for the rest of the

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region and vindicate U.S. efforts to democratically transform the ${\tt Middle\ East.}$

110. (C) Asked about post-Chirac GoF support for Lebanon, Yared readily asserted that no future French president would devote the amount of personal attention Chirac gave Lebanon. Lebanon had been a major focus since beginning of Chirac's presidency, with Chirac's involvement in cease-fire negotiations which led to creation of the Israel-Lebanon Monitoring Group in 1996, and Paris I and II, UNSCR 1559 and beyond. According to Yared, Chirac had long viewed Lebanon as a foothold from which to project French influence throughout the Middle East. The Hariri assassination changed the dynamic from a strategic vision to a personal one, with Chirac feeling personally targeted and devoting intense effort to bringing Hariri's killers to justice. That said, Yared remained confident that France would continue its supportive policies towards Lebanon regardless of who succeeded Chirac, given the longtime affinity between France and Lebanon and influence of the Lebanese community in Paris; the difference would be that the French president would no longer be playing such a pivotal role in the process.

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